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## CENTRAL INTELLIGENCE AGENCY

## Memorandum of Conversation

DATE: 4 September 1962

SUBJECT : 31 August 1962 Meeting to Discuss Agency Supergrade Authorizations

PARTICIPANTS: Mr. Gerry Pottibone, Bureau of the Budget  
Colonel White, CIA

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COPIES TO : DDCI  
Colonel White

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1. A meeting was held in the office of the DD/S with the Bureau of the Budget representative, Mr. Gerry Pottibone, who was invited to discuss the Agency decision to increase its' supergrade authorizations and the Bureau's letter to the Deputy Director pertaining thereto. Mr. Pottibone indicated the Bureau's principle concern over the Agency's action was one of timing. He expressed the view that if the decision by the Agency were to leak out it could possibly be harmful to the President's legislative proposals for Federal pay increases. Mr. Pottibone explained that other Government agencies had requirements for additional supergrade authorizations but that these requirements were not being endorsed by the Bureau until action was taken by Congress on the President's bill. He generalized that he felt the Agency action reflected an appropriate aggressiveness on a fuel need and was entirely within the Director's legal authority. However, he pointed out that in the absence of background information supporting the increase, and in the light of the sensitive balance surrounding action on the President's pay bill, Mr. Bell had become concerned and had so stated this concern in his letter to the DDCI.

2. Col. White responded by methodically outlining the developments over time which led to the Director's decision. He pointed out that the need and pressures for an increase in supergrade authorizations had become apparent prior to Mr. Malone's appointment and that earlier studies had been made. However, action had been deferred in order that Mr. Malone and General Carter be given an opportunity to determine certain organizational changes and a current review of Agency supergrade authorizations could be made in the context of these reorganizations.

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- 2 -

Col. White pointed out that a current methodical study of all supergrade positions in the Agency had been made and that this study was available, should the Bureau desire a copy. He stated that in the light of the responsibilities carried by Agency senior officials both the DCI and DDCI were convinced of the need for action to be taken.

3. Col. White also made the incidental point that in the making of the Agency survey, it had become apparent that certain disparities existed between Agency supergrade authorizations and those of other agencies in the international field and that the Agency was relatively low by comparison. He stated that the present action placed the Agency in a better balance vis-a-vis the other agencies.

4. As regards the Bureau's concern on timing, Col. White emphasized it was not the intention of this Agency to implement all the new authorizations immediately. He stated that while some actions would take place relatively soon that we did not expect to fill all of these positions for several years. Moreover it was made clear that the present action was not considered as a pay raise and was not intended in any way to cover those problems prompting the President's pay bill. Col. White stated that the Agency gave hearty support to the President's proposals and pointed out that we did not see how the increase in supergrade authorizations by this Agency in any way affected the President's proposals.

5. Mr. Pettibone received these points with considerable understanding, stating that he felt this position would satisfy Mr. Ball. He asked whether Col. White could state that the Agency would defer any action on the new authorizations until the 1st of October. Col. White indicated that he could make no such commitment but would so recommend to the Deputy Director, and would advise Mr. Pettibone of the decision by the DDCI. (This advice subsequently was given.) Mr. Pettibone then requested three items: (a) a copy of the Agency study, (b) a copy of the comparisons with other agencies, and (c) a proposed schedule of implementation of the new authorizations. Col. White indicated he would be happy to make these available.

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Chief, Budget Division

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